

## (Caption of Case)

Application of JACABB Utilities, LLC for Approval  
of an expansion of its existing sewer service area to  
include certain portions of Oconee County pursuant  
to agreement with The Battery on Keowee  
Homeowners' Association, Inc.

BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA

## COVER SHEET

## DOCKET

NUMBER: 2011 - 222 - S

(Please type or print)

Submitted by: Stephen R. Goldie

SC Bar Number: \_\_\_\_\_

Address: JACABB Utilities, LLCTelephone: 864-882-8194210 W. N. 2<sup>nd</sup> StreetFax: 864-882-0851Seneca, SC 29678

Other: \_\_\_\_\_

Email: sheilat@goldieassociates.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

**DOCKETING INFORMATION** (Check all that apply)

☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously

☐ Other: \_\_\_\_\_**INDUSTRY (Check one)****NATURE OF ACTION (Check all that apply)**☐ Electric☐ Affidavit☐ Letter☐ Request☐ Electric/Gas☐ Agreement☐ Memorandum☐ Request for Certification☐ Electric/Telecommunications☐ Answer☐ Motion☐ Request for Investigation☐ Electric/Water☐ Appellate Review☐ Objection☐ Resale Agreement☐ Electric/Water/Telecom.☒ Application☐ Petition☐ Resale Amendment☐ Electric/Water/Sewer☐ Brief☐ Petition for Reconsideration☐ Reservation Letter☐ Gas☐ Certificate☐ Petition for Rulemaking☐ Response☐ Railroad☐ Comments☐ Petition for Rule to Show Cause☐ Response to Discovery☒ Sewer☐ Complaint☐ Petition to Intervene☐ Return to Petition☐ Telecommunications☐ Consent Order☐ Petition to Intervene Out of Time☐ Stipulation☐ Transportation☐ Discovery☐ Prefiled Testimony☐ Subpoena☐ Water☐ Exhibit☐ Promotion☐ Tariff☐ Water/Sewer☐ Expedited Consideration☐ Proposed Order☐ Other:☐ Administrative Matter☐ Interconnection Agreement☐ Protest☐ Other:☐ Interconnection Amendment☐ Publisher's Affidavit☐ Late-Filed Exhibit☐ Report

RECEIVED  
JANUARY 13 2015  
PUBLIC SERVICE  
COMMISSION



January 13, 2015

**VIA - FIRST CLASS MAIL**

The Honorable Jocelyn D. Boyd  
Chief Clerk/Administrator  
Public Service Commission of South Carolina  
101 Executive Center Drive  
Columbia, SC 29210

**RE: Docket No. 2011-222-S - Application of JACABB Utilities, LLC for Approval of an expansion of its existing sewer service area to include certain portions of Oconee County pursuant to agreement with The Battery on Keowee Homeowners' Association, Inc.**

Dear Ms. Boyd:

Enclosed for filing is the Application of JACABB Utilities, LLC in the above reference matter. I would appreciate your acknowledging receipt of this document by date-stamping the extra copy of this letter that is enclosed and returning it to me via first class mail.

By copy of this letter, I am serving the Office of Regulatory Staff and enclose a certificate to that effect. If you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,

**JACABB Utilities, LLC**

A handwritten signature in black ink, appearing to read "S. Goldie", is written over a horizontal line.

Stephen R. Goldie  
Managing Member

Enclosure

cc: Dukes Scott, Executive Director, ORS  
Steve Eakes, Attorney

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 2011-222-S

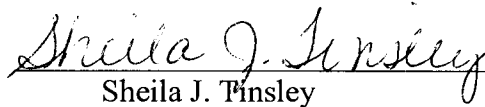
IN RE:

Application of JACABB Utilities, LLC for )  
Approval of an expansion of its existing )  
sewer service area to include certain )  
portions of Oconee County pursuant to )  
agreement with The Battery on Keowee )  
Homeowners' Association, Inc. )  
\_\_\_\_\_ )

**CERTIFICATE OF SERVICE**

This is to certify that I have caused to be served this day one (1) copy of the **Application** by placing same in the care and custody of the United States Postal Service with first class postage affixed thereto and addressed as follows:

Dukes Scott  
**Office of Regulatory Staff**  
1401 Main Street, Suite 900  
Columbia, SC 29201

  
\_\_\_\_\_  
Sheila J. Tinsley

Seneca, South Carolina  
This 13<sup>th</sup> day of January 2015

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION OF**  
**SOUTH CAROLINA**  
**DOCKET NO. 2011-222-S**

IN RE:

Application of JACABB Utilities, LLC )  
for approval of an expansion of its existing )  
sewer service area to include certain )  
portions of Oconee County pursuant to )  
agreement with The Battery on Keowee )  
Homeowners' Association, Inc. )  
\_\_\_\_\_ )

**APPLICATION**

JACABB Utilities, LLC ("Applicant" or "Utility") pursuant to S.C. Code Ann §58-5-210 and Vol. 26 S.C. Code Ann. Regs. RR. 103-541 hereby applies for an expansion of its authorized sewerage service area to include certain portions of Oconee County, South Carolina pursuant to the agreement with The Battery on Keowee Homeowners' Association Inc. In support of this Application, Applicant would respectively show as follows:

1. Applicant is a public utility currently authorized to operate water and wastewater systems under the jurisdiction of the Commission in Oconee County, as well as certain other counties in this state. Its corporate charter is presently on file with the Commission and an appropriate bond has been posted with same. A schedule of rates and charges for Applicant's sewer service has previously been approved by Commission Order No. 2011-581.
2. The Applicant currently provides sewerage service in Oconee County, South Carolina, as well as providing sewerage service in other counties in this state. The sewer

service area for which expansion is sought (the “Proposed Service Area”) is located in Oconee County, South Carolina, and includes sixteen (16) residential units in The Battery on Keowee and is controlled by The Battery on Keowee Homeowners’ Association (“HOA”). It is the desire of the HOA that the Utility provide sewerage service to the residential units at The Battery on Keowee by utilizing the onsite sewage treatment and disposal system (“System”), as agreed upon in Agreement Between JACABB Utilities, LLC and The Battery on Keowee Homeowners’ Association, Inc. and its Amendment One, Exhibit “A”. The Agreement is conditioned upon approval of the Application by this Commission and the issuance of a No Discharge Permit by the South Carolina Department of Health and Environmental Control (SCDHEC).

3. The Applicant also seeks approval of the Sanitary Sewerage Asset Purchase Agreement entered into between Applicant and Invest Wet, LLC dated February 21, 2014, a copy of which is attached hereto and incorporated herein by reference as Exhibit “B”. Invest Wet, LLC, the owner of the System, has conveyed to Utility a Bill of Sale and Grant of Easement with the necessary easements and rights-of-way required to serve the Proposed Service Area, Exhibit “C”.

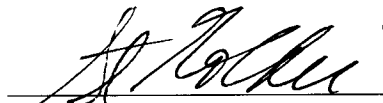
4. The Proposed Service Area is not presently served by any public utility providing sewer service subject to the jurisdiction of this Commission. Moreover, no governmental entity has sewer service facilities in the Proposed Service Area.

5. The Oconee Joint Regional Sewer Authority as the designated management authority under the 208 Plan for Oconee County has no plans to extend sewer service into this area as indicated on the Sewer Service Accessibility Form, see Exhibit “D”.

6. Applicant requests that it be allowed to provide service in the Proposed Service Area pursuant to the rates and charges set forth in its existing monthly rate scheduled as approved under Order No. 2011-581 and in accordance with the terms of the HOA Agreement and its Amendment 1.

7. In view of the foregoing, Applicant is informed and believes that the public convenience and necessity will be served by the approval of this Application.

8. WHEREFORE, having fully set forth its Application, Applicant prays that the Commission grant the requested expansion of its sewerage service territory to include the entirety of the Proposed Service Area in accordance with the terms and conditions of the foregoing agreements; that the terms, conditions, rates and charges approved by the Commission for Applicant's currently authorized sewer service territory and in effect from time to time, and as provided for in the agreements, apply to the provision of sewer service in the Proposed Service Area; that, if no intervention is filed, hearing on the within matter be waived or review of the within application be expedited, and that Applicant be granted such other and further relief as the Commission may deem just and proper.

  
\_\_\_\_\_  
Stephen R. Goldie  
JACABB Utilities, LLC  
Managing Owner  
210 W. North Second Street  
Seneca, SC 29678  
(864) 882-8194

Applicant

Seneca, South Carolina  
This 13<sup>th</sup> day of January 2015

**“EXHIBIT A”**

**Agreement Between JACABB Utilities, LLC and  
The Battery on Keowee Homeowner’s Association, Inc.  
(Including Amendment 1)**

**AGREEMENT BETWEEN  
JACABB UTILITIES, LLC AND THE BATTERY ON KEOWEE  
HOMEOWNERS' ASSOCIATION, INC.**

This Agreement is hereby entered into on this the 9<sup>th</sup> day of July, 2014, between The Battery on Keowee Homeowners' Association, Inc. (the "HOA") and JACABB Utilities, LLC (the "Utility"), a licensed utility company in the State of South Carolina. (HOA and Utility collectively referred to herein as the "Parties".)

WHEREAS, Utility will provide residential sanitary sewer service ("Services") for the sixteen lots ("Units") within The Battery on Keowee subdivision. ("Property");

THEREFORE, for good and valuable consideration, including the mutual promises set forth herein, Utility and the HOA agree as follows:

**HOMEOWNERS' ASSOCIATION**

1. HOA warrants that it represents the owners of the Units and is legally authorized and entitled to enter into this Agreement.
2. HOA agrees to execute a non-exclusive easement for future access by Utility to all sanitary sewer system ("System") assets located on HOA property as identified in Exhibit I attached hereto.
3. HOA will be responsible for those realty taxes, insurance, grounds maintenance and other costs normally associated with land ownership for the HOA property which shall be subject to the easement.
4. HOA will ensure continued functionality of the System including paying for Duke electrical, Goldie & Associates (certified operator) inspections, telemetry unit connection and subscription fees and any necessary repairs, until Utility receives the required approvals from the South Carolina Department of Health and Environmental Control (SCDHEC) and the Public Service Commission of South Carolina (PSC) for ownership and operational takeover of the System.



5. HOA will ensure that the owners of the Units are made aware of the Prohibited Items listed in Exhibit 2 attached hereto. These items are those harmful or non-biodegradable products which should not to be introduced into the System. HOA agrees to be responsible for reimbursing the Utility for costs it reasonably incurs to restore the System to operable condition, should it be damaged (excluding effects from normal wear and tear) as a result of homeowner introduction of any such Prohibited Item(s). Nothing herein shall be deemed to preclude the HOA from obtaining recovery of any costs it may so incur from a responsible homeowner(s).

#### UTILITY

1. As indicated in the Sanitary Sewerage Asset Purchase Agreement recently executed between Utility and Invest Wet LLC, Utility acknowledges it is acquiring the System in an “as-is, where is” condition;
2. Utility agrees to provide the prescribed Services according to the terms and conditions of this Agreement, its separate agreement with Invest Wet LLC, and in accordance with the requirements and procedures established by SCDHEC and the PSC;
3. Upon receiving the required approvals from the PSC and SCDHEC, Utility will assume responsibility for the expenses temporarily assumed by HOA under Paragraph 4 above and those other costs to operate and maintain all pumps, pipes, valves, drain tiles/drain field, remote monitoring device(s) and other appurtenances that are part of the System. Utility also agrees to undertake industry-accepted System preventive maintenance measures to help ensure long term System efficiency including, but not limited to, advising the HOA if any Prohibited Items are found within the System or within any individual Unit-owned septic tank(s).
4. Utility agrees to maintain workman’s compensation insurance as required by law and general automotive and business liability insurance as needed to adequately cover any liabilities it may incur as a result of access by its personnel and/or contractors and/or the nature of its operation, maintenance and/or ownership of the System.

5. Utility shall not be responsible for any real property related taxes, insurance, grounds or road maintenance or other costs associated with retained ownership by the HOA of the land subject to the easement. Utility will pay any personal property, ad valorem or similar taxes or fees as shall be applicable to its initial acceptance or future ownership and/or operation of the System assets being transferred.

6. Utility has no obligation to install, upgrade or expand any of the wastewater treatment facilities to serve more than the sixteen (16) Units located on the Property.

7. Utility shall have the right to terminate sewer service to the Unit owners in accordance with the requirements and procedures established by the PSC.

### **CONTINGENCIES**

1. This Agreement is specifically conditioned upon, and expressly subject to, the final approval by both the SCDHEC and PSC. Within Sixty (60) Days after execution of this Agreement and the non-exclusive easement, the Utility will submit an application to the PSC and will thereafter expeditiously pursue all required approvals from the PSC and SCDHEC for transfer/operational takeover of the System. All terms and conditions contained herein are subject to the Utility receiving a SCDHEC permit and approval from the PSC.

### **GENERAL**

1. All connections for new Service must be inspected by the Utility prior to backfilling and covering of any pipes. Written notice to the Utility requesting an inspection of a connection shall be made at least forty-eight (48) hours in advance of the inspection, excluding weekends and official Utility holidays.

2. Prior to the commencement of Services for any additional Unit(s) or structure(s) constructed after the date of this Agreement, the new Unit owners or HOA as applicable, will be responsible for the payment to Utility of sewer tap-on or connection fees at the rate as in effect from time to time prior to the provision of Service to any Unit within the Property. All fees, usage and all other incidental rates and charges shall be rendered by Utility in accordance with Utility's rates, rules and regulations and conditions of service as approved by the PSC.

3. The Utility will request to the PSC a monthly tariff of \$40.00. Upon approval, the rate and other approved charges as in effect from time to time, will be charged directly to each Unit owner.

#### **INDIVIDUAL SEPTIC TANKS**

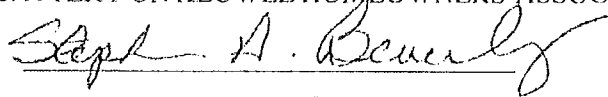
1. Individual residential septic tanks shall be inspected annually. HOA will ensure that individual Unit owners are aware that they shall bear the cost of these inspections and any necessary repairs to, or solids removals from, their tanks. HOA agrees to use its best efforts to ensure all owners provide unfettered and ready access to all tanks for the purpose of completing such annual inspections.

2. The Utility will make available a list of approved inspectors for these inspections. However, if the Unit owners desire to use another inspector, the owner will submit the inspector's name to the Utility for approval. A completed inspection certification from the approved inspector shall be submitted to the Utility. Should the Utility not receive an inspection certification, the Utility will begin the disconnect process for the Services.

This Agreement entered in to this 9<sup>th</sup> day of July, 2014.

THE BATTERY ON KEOWEE HOMEOWNERS' ASSOCIATION, INC.

By:



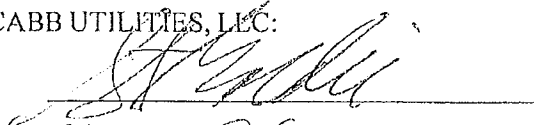
Name:

STEPHEN A. BEVERLY

Its: President

JACABB UTILITIES, LLC:

By:



Name:

Stephen R. Goldie

Its: Managing Owner

Exhibit No. 1

Septic System Assets Belonging to JACABB Utilities

- Lift station including all pumps, controls, and miscellaneous appurtenances
- Collection system including all piping (except piping connecting each Unit to its individual tank and each tank to main line stubs located at/near individual lot lines), manholes, valves, and miscellaneous appurtenances
- Community Septic Tank / Tile Field System
- Remote Monitoring Telemetry unit

## Exhibit No. 2

### SEPTIC SYSTEM MAINTENANCE REQUIREMENTS

#### Prohibited Items:

Homeowners shall not introduce into the septic system owned by Utility the following prohibited items which could result in system malfunction:

- Motor oils or greases, gasoline or similar flammable liquids
- Toxic chemicals including pesticides, herbicides, fertilizers or other agricultural products.
- Household cleaners (especially floor wax and rug cleaners)
- Undiluted chlorine bleach (normal use in clothes washing machines not prohibited)
- Pharmaceuticals
- Softener system backwash
- Chlorides or pool/spa products
- Septic tank treatment additives
- Non-readily biodegradable solid wastes (e.g., sanitary napkins, diapers, cat litter, paper towels, floor wipes, cleaning rags, tea bags, cigarette butts, etc.)

#### Recommended Preventive Maintenance Measures for System: (and Individual Tanks)

Compost food scraps or dispose with household trash. Food by-products accelerate the need for tank septage pumping and increase maintenance frequency.

Dispose with household trash other food related wastes which can cause maintenance problems and/or increase the need for septage pumping such as: egg shells, cantaloupe seeds, gum, coffee grounds, chewing tobacco and cooking grease.

Keep lint out of system by cleaning the lint filters on your washing machine and dryer before every load. (Adding a supplemental lint filter on your washing machine is a good precautionary measure).

Avoid excessive use of bath or body oils or the release of large amounts of hair down shower or sink drains.

Do not leave interior faucets on for any reason, such as protecting water lines during cold spells.

Do not use excessive amounts of water and conserve water as much as possible. Using between 50-60 gallons per person per day is typical.

Maintain internal home plumbing system in good repair and eliminate leaks, drips, or excess flows immediately.

Do not connect rain gutters or storm water diversion drains to the system or allow surface water/runoff to drain to or collect near septic tanks or equipment.

AMENDMENT 1

To

AGREEMENT BETWEEN JACABB UTILITIES, LLC AND THE BATTERY ON KEOWEE  
HOMEOWNERS' ASSOCIATION, INC.

OCONEE COUNTY, SC

The Agreement between The Battery on Keowee Homeowners' Association, Inc. ("HOA") and JACABB Utilities, LLC ("Utility") dated and signed the 9<sup>th</sup> day of July 2014 is hereby amended to revise GENERAL section, Paragraph 3 to read:

"3. The Utility will request to the PSC for approval of an expansion of its existing sewer service area in Oconee County to include The Battery on Keowee. Upon approval, the current rate of \$53.16 and other approved charges as in effect from time to time, will be charged directly to each unit owner."

IN WITNESS WHEREOF, the Parties hereto have executed this amendment this 29<sup>th</sup> day of October 2014 by and through their authorized representatives set out below.

JACABB Utilities, LLC

By: 

Printed Name: Stephen Goldie

Its: Managing Owner

The Battery on Keowee Homeowners' Association, Inc.

By: 

Printed Name: STEPHEN A. BEVERLY

Its: President

**“EXHIBIT B”**

**Sanitary Sewerage Asset Purchase Agreement between Invest Wet, LLC and  
JACABB Utilities, LLC**

STATE OF SOUTH CAROLINA                    )  
  )  
COUNTY OF OCONEE                         )     SANITARY SEWERAGE  
  )     ASSET PURCHASE  
  )     AGREEMENT

This agreement is entered into on 2/21/2014 2014, between Invest Wet, LLC, a limited liability company organized and existing under the laws of South Carolina, hereinafter referred to as Seller, and JACABB Utilities, LLC, a South Carolina limited liability company, hereinafter referred to as Utility or Buyer.

**RECITALS**

1. The Seller owns a wastewater community septic system that consists of gravity sewer lines, manholes, pump station, force main, and a drainfield system and serves the owners at The Battery on Keowee in Oconee County, South Carolina ("System").
2. The Seller desires to sell and the Buyer desires to purchase all of the properties, assets, and rights of the Seller in and to the System, subject to the prior approval by the South Carolina Department of Health and Environmental Control ("SC DHEC") and the South Carolina Public Service Commission ("PSC").
3. The Seller is willing to sell and to transfer such properties, assets, and rights to the Buyer in consideration of the purchase price set forth in Section Two hereof and in consideration of the Buyer assuming and agreeing to be responsible for the operation and maintenance of the System.

In consideration of the mutual covenants and promises contained in this Agreement, the parties hereto agree as follows:

**SECTION ONE**  
**SUBJECT MATTER**

Subject to the terms and conditions of this Agreement and the recitals hereinabove, the Seller agrees to sell and deliver to the Buyer, and the Buyer agrees to purchase and to take from the Seller at Closing:

1. All of the properties, assets, licenses and permits, contracts, accounts receivable, and other rights of Seller of every kind and description, real, personal, mixed, tangible, and intangible, wherever situated,





utilized in the operation of The Battery on Keowee sewer septic system in Oconee County, South Carolina, and as listed on the attached Exhibit "A", which is incorporated herein by reference (the "Assets").

2. At Closing, the Buyer shall assume and be responsible for the operation and maintenance of the System.
3. ~~Thirty (30) days prior to closing, Seller shall pay for the installation of a telemetry unit for the System deemed acceptable for use by the Utility.~~
4. Up until the Date of Closing, The Battery on Keowee Homeowners' Association via separate agreement with Buyer, shall be responsible for the continued operation and maintenance of the System including payment of electric service and monthly Goldie & Associates System inspection and telemetry unit operation related fees.

Initials 2/21/14  
[Signature]  
SPH

**SECTION TWO**  
**CONSIDERATION**

At Closing, as consideration for the sale and transfer of the System to the Buyer, the Buyer agrees to pay to Seller the Purchase Price of One and no/100 (\$1.00) Dollar.

**SECTION THREE**  
**CONTINGENCIES**

This Agreement is made subject to the following contingencies:

1. This Agreement is contingent upon subsequent execution of the aforementioned agreement between the Utility and the HOA.
2. This Agreement is specifically conditioned upon, and expressly subject to, the final approval of this sale prior to Closing by both SC DHEC and the PSC. Utility will apply to the PSC as soon as practicable for the issuance of an Order approving the transfer to the Utility. All terms and conditions contained herein are subject to Utility receiving said Order from the PSC.
3. The conveyance by Seller of a recorded Bill of Sale for assets free and clear of all liens and encumbrances.
4. The conveyance by the HOA of a recorded Easement document.
5. This Agreement is contingent upon the Buyer being able to obtain all permits and licenses necessary for the operation of the System, including issuance of a no-discharge (ND) permit from SC DHEC.

[Signature] [Signature]

**SECTION FOUR**  
**CLOSING**

1. Closing Date. Closing will be held within thirty days (30) days after the required approvals are obtained and the other conditions and contingencies are met. The parties may mutually agree to extend the Closing Date by written agreement.
2. Closing. On or before the Closing Date, the following shall occur, subject to the satisfaction of the terms and conditions of this Agreement.
  - a. The HOA shall convey to the Buyer all rights-of-way and easements necessary for access to and operation of the System.
  - b. The Seller shall execute and deliver to the Buyer a Bill of Sale transferring all the Assets of the System to the Buyer free and clear of all liens and encumbrances.
  - c. The Closing costs shall be paid by the parties as follows:

Seller: To pay its own attorney's fee and any recording fees associated with the Closing.

Buyer: To pay its own attorney's fees and any other acquisition costs which it incurs.

The Seller shall deliver to Buyer prior to Closing all customer records; all records pertaining to and necessary for the operation of the System, all records pertaining to the Assets being purchased, and all other information on file regarding the System.

**SECTION FIVE**  
**"AS IS" CLAUSE**

Seller is selling the property "as-is, where-is" and without any representations or warranties. Upon expiration of the inspection period without termination, Buyer agrees to accept the property in its present condition, subject to all patent and latent defects, if any, and without representation or warranty of any kind, except only as is expressly set forth herein, including without limitation, the environmental condition of the property. To the

maximum extent lawful and unless clearly and absolutely prohibited by law, all implied warranties of fitness for a particular purpose, merchantability and habitability, any warranties imposed by statute and all other express and/or implied warranties of any kind or character are specifically disclaimed.

**SECTION SIX**  
**SELLER'S REPRESENTATIONS AND WARRANTIES**

Seller represents and warrants to, and agrees with, Buyer as follows:

1. Seller is a corporation duly organized, validly existing, and in good standing under the laws of South Carolina, with full corporate power and authority to own its property and to conduct the business that it presently conducts.
2. There are no actions, suits, claims, investigations, or legal or administrative or arbitration proceedings pending or threatened against or for the benefit of, Seller, nor to Seller's knowledge any basis for any such claims.
3. Seller warrants that it has paid any and all payroll, sales, use, workers' compensation, or other such taxes (to the extent that Seller is obligated to pay any such taxes) that the Seller would owe on or before the date and time of Closing.
4. Seller warrants and represents that the Assets to be transferred are debt free and that, as of Closing, there shall be no liens, encumbrances, or claims of any kind against said Assets to be transferred, and that there are no other parties claiming an interest in said Assets.
5. Seller has the legal power and right to enter into and perform this Agreement. The consummation of the transactions contemplated by this Agreement will not violate Seller's By-laws or articles of incorporations, and, to the best of Seller's knowledge, will not violate any law, statute or regulation to which Seller is subject.
6. All financial statements of the System furnished to Buyer by Seller under this Agreement are true, correct, and complete statements of the financial condition and results of Seller's operations of the System as, at, and for the period specified, and were prepared according to generally accepted accounting principles consistently applied.



Two handwritten signatures are present at the bottom right of the page. The first signature is a stylized, cursive 'J' followed by a horizontal line. The second signature is a more complex, cursive signature that appears to start with a large 'S' or 'J' and ends with a long, sweeping horizontal line.

7. Seller has filed all federal, state, county and local income, withholding, FICA, excise, property, sales, and use, and other tax returns that are required to be filed by it, and has paid all taxes due for periods prior to the date of this Agreement. There are no facts or circumstances as of the date of this Agreement known to Seller that might serve as the basis for the creation of liens or liabilities against the Assets being sold hereof.
8. Seller has not employed any broker or agent with respect to the sale and purchase contemplated in this Agreement, nor taken any other action, nor will Seller take any such action, that would cause the Buyer to become liable for the payment of any finder's fee, broker's fee, or commission.
9. As of the Closing, Seller should hold all licenses and permits necessary or appropriate for the operation of the System, and the licenses and permits shall be current and in good standing.
10. The consummation of this Agreement does not violate any Agreement to which the Seller is subject.
11. All Assets being sold are believed to be in good operating condition, subject only to normal wear and tear. However, all assets are sold and transferred in "as is" condition as of the Date of Closing.
12. The Seller does hereby irrevocably assign, transfer, and set over to the Buyer the contractual right to service all customers currently being served, including all customers in The Battery on Keowee.

**SECTION SEVEN**  
**BUYER'S REPRESENTATIONS AND WARRANTIES**

Buyer represents, warrants to, and agrees with Seller as follows:

1. Buyer is a limited liability company duly organized, validly existing, and in good standing under the laws of South Carolina and has full power to carry on its business as now being conducted.
2. The execution of this Agreement and all documents provided for in this Agreement by Buyer and its delivery to Seller have been duly authorized by

Buyer's members, and no further action is necessary on Buyer's part to make this Agreement valid and binding on Buyer in accordance with its terms.

3. It will be in a position financially to fulfill the terms of this Agreement as of the Date of Closing.
4. It will use its best efforts in the operation of the System so as to meet all obligations required by this Agreement.
5. The Buyer will assume the operation of the System at Closing so as to meet all obligations required by this Agreement and those continuing after Closing.
6. Buyer has not employed any broker or agent with respect to the sale and purchase contemplated by this Agreement, nor taken any other action, nor will Buyer take any such action, that would cause Seller to become liable for the payment of any finder's fee, broker's fee, or commission.

#### **SECTION EIGHT** **OTHER AGREEMENTS**

1. The Buyer is not assuming any liabilities in connection with the System that were incurred prior to the Date of Closing.
2. Pending the closing of this transaction, Buyer shall exercise no control over the operation of the System. Buyer shall be responsible to have utility services transferred to its name from and after the date of Closing and to be responsible for the payment of such services from and after Closing.

#### **SECTION NINE** **EXHIBITS INCORPORATED BY REFERENCE**

All exhibits referred to in this Agreement are incorporated herein by reference for all purposes.

#### **SECTION TEN** **ADDITIONAL DOCUMENTS**

The parties agree to execute all documents as may be necessary to carry out the intent and provisions of this Agreement.

Two handwritten signatures are present at the bottom right of the page. The signature on the left is a stylized, cursive 'SRS'. The signature on the right is a more complex, cursive signature, possibly 'J. C. [unclear]'.

**SECTION ELEVEN**  
**GENERAL**

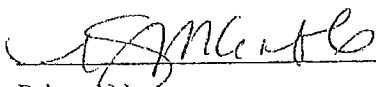
1. Prior to the commencement of utility service for any additional unit(s) or structure(s) not already having sewer service availability as of the date of Closing, the owner(s) thereof shall be responsible for the payment to Utility of a tap-on fee, at the rate in effect for tap-on fees at that time, which fee will have been previously approved by the PSC. Such fees, usage and all other incidental rates and charges shall be rendered by Utility in accordance with Utility's rates, rules, regulations and conditions of service as approved by the PSC from time to time and then in effect.
2. No connections are to be made to the System unless approved by Utility. From and after the Closing, Utility warrants and agrees that it shall provide all property owners within the Subdivision with good, adequate and customary sewer utility service at reasonable rates, such rates to have been approved by the PSC. Utility further warrants and represents that it shall operate, maintain and repair the System promptly and in a good and workmanlike manner and in such a manner as to not impair its ability to fulfill its obligation to provide good, adequate and customary sewer utility service to the Subdivision.

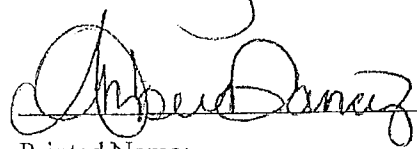
**SECTION TWELVE**  
**MISCELLANEOUS**

1. No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof, or any other covenant or provision herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.
2. In the event of the bringing of any action or suit by a party hereto against another party by reason of any breach of any of the covenants, agreements, or provisions on the part of any party arising out of this Agreement, then, in that event, the prevailing party shall be entitled to have and to recover of and from the other party all costs and expenses of the action or suit, including reasonable attorney's fees and any other professional fees resulting therefrom.

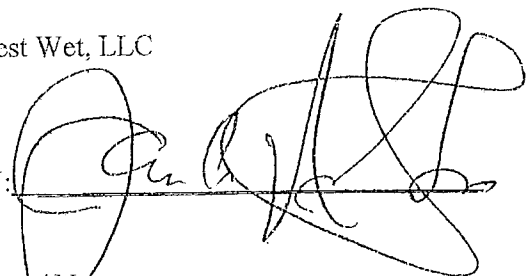
3. The parties hereby acknowledge and agree that time is strictly of the essence with respect to each and every term, condition, obligation, and provision hereof and that failure to perform timely any of the terms, conditions, obligations or provisions hereof by any party shall constitute a material breach thereof and a noncurable (but waivable) default under this Agreement by the parties so failing to perform.
4. The parties hereto acknowledge that this Agreement has been negotiated and entered into in the State of South Carolina. The parties expressly agree that this Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of South Carolina.
5. The representations warranties, right, duties, agreements and obligations of the parties provided in this Agreement shall survive the Closing, and this Agreement shall specifically survive the Closing.
6. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.
7. This Agreement can only be amended or supplemented by a written agreement signed by the parties hereto. It may not be orally modified or changed.
8. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

Witnesses as to Seller:

  
Printed Name: Kimberly W. Kable

  
Printed Name: Amber Dancy

Invest Wet, LLC

BY: 

Printed Name: James C. Nichols, Sr.

ITS: Managing Member

Witnesses as to Buyer:

Sheila J. Tinsley

Printed Name:

Sheila J. Tinsley

Debbie VanBeek

Printed Name:

Debbie VanBeek

JACABB Utilities, LLC

BY: [Signature]

Printed Name:

Stephen R. Goldie

ITS: Managing member



## **EXHIBIT "A"**

### **List of Assets of the System Being Transferred**

- Lift station including all pumps, controls, and miscellaneous appurtenances
- Collection system including all piping, manholes, valves, and miscellaneous appurtenances
- Tile Field System

**“EXHIBIT C”**

**Bill of Sale and Grant of Easement**

STATE OF SOUTH CAROLINA                    )  
  ) **BILL OF SALE**  
COUNTY OF OCONEE                            )

KNOW ALL MEN BY THESE PRESENTS, that Invest Wet, LLC, a South Carolina Limited Liability Company, for and in consideration of the mutual considerations as stated in the sanitary sewerage asset purchase agreement executed between the parties, has bargained, sold, or released and by these presents does bargain, assign, grant, sell, and deliver to JACABB Utilities, LLC, its Successors and Assigns forever, the following (comprising all of the tangible assets and inventory of the community septic system serving the owners at The Battery on Keowee, in Oconee County, South Carolina):

1. All existing gravity sewer mains, manholes, sewer lines, pipes, pumps, equipment, controls, tile field system, and miscellaneous appurtenances serving The Battery on Keowee in Oconee County, South Carolina.

2. The right to serve all customers in The Battery on Keowee as provided by the agreement for sewer services.

3. Any and all assets, without limitation, of the community septic system serving The Battery on Keowee except as provided in paragraph 4 hereinbelow.

4. The individual septic tanks for each unit shall remain the property of the unit owners and the owners shall be solely responsible for all repair, replacement, maintenance and upkeep.

5. All assets shown on Exhibit "A" attached hereto.

TO HAVE AND TO HOLD the said above-described assets and the

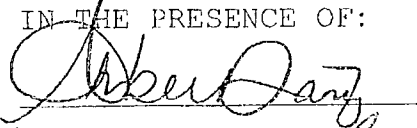

assets shown on Exhibit "A" attached to the bill of sale unto the said JACABB Utilities, LLC, its successors and assigns forever.

AND, the said Invest Wet, LLC, does hereby bind itself and its successors and assigns to warrant and forever defend all and singular the said bargained property unto the said JACABB Utilities, LLC, and its Successors and Assigns, against it and its successors and assigns, and against every person or entity whosoever lawfully claiming or to claim the same or any part thereof.

The Seller is the lawful owner of the above-described assets, and the above-described assets are free from all encumbrances and liens. The Seller has the good right to sell the above-described items.

IN WITNESS THEREOF, the undersigned has hereunto set its hand and seal this 21<sup>st</sup> day of <sup>February</sup>~~January~~, 2014.

IN THE PRESENCE OF:

  
  
WITNESSES

Invest Wet, LLC

BY:

ITS Member

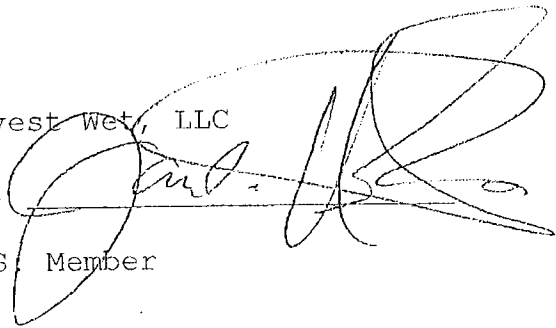


EXHIBIT "A"

List of Assets of the System Being Transferred

- Lift station including all pumps, controls, and miscellaneous appurtenances
- Collection system including all piping, manholes, valves, and miscellaneous appurtenances
- Tile Field System

STATE OF SOUTH CAROLINA	)	
	)	GRANT OF EASEMENT
COUNTY OF OCONEE	)	

KNOW ALL MEN BY THESE PRESENTS THAT The Battery on Keowee Homeowners' Association, Inc. of the State and County aforesaid, herein referred to as GRANTOR, for and in consideration of the sum of One and no/100 (\$1.00) Dollar the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, sold and released, and by these presents does grant, bargain, sell and release unto JACABB Utilities, LLC, a South Carolina Limited Liability Company, hereinafter referred to as GRANTEE, of the State and County aforesaid, its successors and assigns forever, the following:

A fifteen foot (15') wide non-exclusive easement and right of way for purposes of ingress and egress over and on, that private roadway leading into and situated within, The Battery on Keowee residential subdivision (hereinafter "Community") known as "Meares Drive" as reflected in Exhibit A attached hereto;

A non-exclusive easement and right-of-way over, on and across that real property which together with the aforesaid Meares Drive, were conveyed to GRANTOR by deed of conveyance from the Community's developer, Invest Wet LLC, as recorded on April 22, 2014, in Deed Book 2025 at Page 284 of the Oconee County Register of Deeds (hereinafter "Common Area") including, but not limited to, those portions of such real property on, or beneath which, currently lie certain on-site wastewater treatment system related pumps, pipes, lines, equipment, manholes, meters, drain field and related fixtures and appurtenances which Invest Wet LLC separately conveyed to GRANTEE via an executed personal property Bill of Sale dated February 21, 2014;

AND, ALSO: GRANTOR hereby grants and conveys to GRANTEE, its successors and assigns, the right, privilege and authority, from time to time, to enter upon to inspect, operate, repair, replace, relocate, construct new and extend, and to perpetually maintain upon, over, along, across, through and under any and all of such Common Area of said Community as owned by GRANTOR those now existing, or hereafter to be later installed, pumps, pipes, lines, equipment, manholes, meters, drain field(s), and other wastewater system related fixtures and appurtenances as may from time to time be needed for the transaction of its business for the provision of sewerage services to the Community and its residents, together with the right of ingress, egress, and access to and from such right of way access and upon lands of GRANTOR as may be necessary for the purposes connected therewith, which includes and is not limited to, providing access to GRANTEE to the aforementioned pumps, pipes, lines, equipment, manholes, meters, drain field and other septic system related fixtures and appurtenances twenty-four (24) hours a day, seven (7) days a week.

GRANTOR reserves unto itself and its membership, their respective heirs, personal representatives, successors and assigns the right and privilege to use the premises herein described at any time and in any manner and for any purpose not otherwise inconsistent with the on-site wastewater system operation, maintenance, repair or improvement needs of GRANTEE its successors and assigns. Such reservation to include, but not be limited to, continued use of the premises across from Unit #7 for overflow vehicle parking and the installation of decorative split-rail or other non-interfering fencing and/or general landscaping within the Common Area.

The failure of GRANTEE, its successors and assigns to exercise any of the rights herein granted shall not be construed as a waiver or abandonment of the right thereafter at any time and from time to time to exercise any and all of such rights assuming it or they continue to provide needed residential septic system operation and maintenance related services to the Community.

The above described non-exclusive easement and right of way conveyances shall be subject to the following specific terms, conditions and restrictions:

GRANTEE's non-exclusive easement and right-of-way access and use entitlements as herein granted shall be subject to all pre-existing easements and/or rights-of-way previously granted by Invest Wet LLC to other public utilities or public or private entities for the provision to the Community of those potable water, electricity, cable, telephone and/or other services of benefit to any or all lot owners;

GRANTEE shall have the right from time to time, to cut or remove trees, underbrush and other obstructions that are over, under, or within five (5) feet of either side of the center of all existing, or hereafter to be installed, pumps, pipes, lines, equipment, manholes, meters, drain field(s) and other septic system related fixtures and appurtenances. However, any costs for damage(s) to the property of GRANTOR or others (other than such actual trimming, cutting or obstructions removals) as may be caused in doing so, shall be borne by GRANTEE;

GRANTEE shall not be responsible for any costs associated with GRANTOR's need to routinely maintain and/or repair the aforesaid Meares Drive on account of normal wear and tear, including future routine use by GRANTEE. However, should GRANTEE undertake any excavation of soils or the disturbance of either roadway asphalt or Common Area storm water drainage features or structures, then GRANTEE shall at its own expense promptly restore the same including, as needed, the leveling and reseeded of all grassy area(s) and/or the replacement of removed or damaged asphalt or any affected storm water features or structures;

GRANTEE will be responsible to repair and/or replace any damage it may cause to other utility lines serving the Community or any other permanent improvements within the Common Area and shall use industry accepted best management practices to preclude soil runoff to adjacent areas during any soil or roadway excavation project(s).

(2)



Sworn to before me this \_\_\_\_\_  
day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Notary Public for South Carolina  
My Commission Expires: \_\_\_\_\_

(Seal)

**“EXHIBIT D”**

**Oconee Joint Regional Sewer Authority, Sewer Service Accessibility**

### SEWER SERVICE ACCESSIBILITY

The completion of this form is used by the South Carolina Department of Health and Environmental Control to verify that the proposed development complies with all applicable Regulations, Codes and Ordinances established by other governmental entities.

Name of Project: The Battery 194-03-02-001/002/005  
TMS# \_\_\_\_\_  
Developer's Name: James Nichols Phone# 864-903-5755  
Address: 517 Concord Industrial Drive  
Seneca, SC 29672

Location of Proposed Project:  
Located off of Meares Drive in Oconee County, SC

Type of Development Residential Total No. Of Lots 16 Total Acreage 4.7  
Is a sewer line with sufficient capacity to service this project available for connection?  
Yes ☐ No ☒  
If no, what is the approximate distance to the nearest sewer line Approx 5 miles

Is there a sewer line located on or contiguous to this proposed project?  
Yes ☐ No ☒

Does the treatment plant have capacity to accept wastewater from this proposed project?  
Yes ☒ No ☐

Are there plans to extend sewer lines into this area in the future? Please explain.  
No, Funding is not available

Would the use of septic tanks in this development interfere with your immediate or long term plans for sewer service in this area? No ☒ Yes ☐ If yes, please explain.

Name of Sewer Authority: Oconee County Sewer Commission  
Signature Reviewer: Bob Lindstrom Date of Review 2-22-06

Oconee County Sewer Commission  
623 Return Church Road  
Seneca, SC 29678